



## Administrative Policies and Procedures: 4.10

<b>Subject:</b>	<b>Conflicts of Interest</b>
<b>Authority:</b>	TCA 37-5-105, 37-5-106, 8-31-103; HB 1491
<b>Standards:</b>	<b>ACA:</b> 3-JTS-1A-29, 3-JTS-1C-23; <b>COA:</b> PA-HR 5.01, 5.02; PA-ETH 2.01; PA-RPM 2.01
<b>Application:</b>	To All Department of Children's Services Employees

### Policy Statement:

All employees of the Department of Children's Services are prohibited from having or entering into conflicts of interest with private sector persons, organizations, businesses or corporations or accepting gifts or gratuities for any service performed or intended. Providing confidential information for private interest gain is also prohibited under this policy.

### Purpose:

To ensure procedures are established to inform **employees** of conflicts of interest guidelines to determine if a **conflict of interest** exists, and for obtaining permission and approval when entering into a contract.

### Procedures:

<b>A. General prohibited conflict of interest guidelines</b>	<ol style="list-style-type: none"><li>1. All employees of the Department of Children's Services are prohibited from any action that might result in or create the appearance of:<ol style="list-style-type: none"><li>a) Using public office for private gain;</li><li>b) Giving <b>preferential treatment</b> to any person, contractor; employee or relative;</li><li>c) Impeding government efficiency or economy;</li><li>d) Losing complete independence or impartiality;</li><li>e) Making a government decision outside of official channels; or</li><li>f) Affecting adversely the confidence of the public in the integrity of the government;</li><li>g) Using government property for private or personal gain;</li><li>h) Using , disclosing, or allowing the use of official information which has not been made available to the general public for the purpose of furthering the private interest or personal profit of any person, including the employee; or</li><li>i) Engage in a financial transaction as a result of, or primarily relying upon, information obtained through his or her position;</li><li>j) Engage directly or indirectly in <b>fundraising</b>.</li></ol></li></ol>
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	<p>k) All employees will avoid all known conflicts of interest, and to the extent he or she becomes aware of a conflict of interest in the execution of their duties as a state employee.</p> <p>2. The employee will avoid all known conflicts of interest, and to the extent he or she becomes aware of a conflict of interest in connection with any matter, he or she will disclose such conflict to the appropriate supervisor.</p> <p>3. All employees will be required to sign a <b>CS-0748, Employee Conflict of Interest Statement</b> to acknowledge prohibited actions under this policy. The signed statement will be placed in their official personnel file.</p>
<b>B. Guidelines for recipients/services</b>	<p>Conflicts of interest prohibited for recipients/services include, but are not limited to the following:</p> <ol style="list-style-type: none"> <li>1. Accepting gifts or favors from any child, child's family member, or agent;</li> <li>2. Providing gifts or favors to any child, child's family member or agent, except as <u>specifically</u> authorized in the official performance of duties;</li> <li>3. Referring children/families to treatment facilities where the employee is otherwise employed or has a financial interest; and/or</li> <li>4. Soliciting gifts or favors for any service performed or intended.</li> </ol>
<b>C. Guidelines for auditors Inspectors and procurement staff</b>	<ol style="list-style-type: none"> <li>1. All employees whose duties are to regulate, inspect, audit or procure goods or services or to administer tax laws, must report to their supervisor a financial interest of more than \$5000 that would constitute a conflict or potential conflict of interest by them or their immediate family.</li> <li>2. The employee must report the financial interest at the time of assignment of work, in writing, to the immediate supervisor who will determine if the work should be reassigned.</li> </ol>
<b>D. Guidelines for hiring, promotion and supervision</b>	<ol style="list-style-type: none"> <li>1. All employees shall avoid any action which might result in or create the appearance of preferential treatment or <b>nepotism</b> in hiring, promotion and supervision.</li> <li>2. Employees will <b>not</b> participate in considerations or actions involving individuals in the employee's immediate family (relatives) or, individuals employed by the employee's family, or the employee's organization, services provided by the employee, or any other matter in which the employee's participation may create an appearance of bias or impropriety.</li> </ol>
<b>E. Guidelines for additional employment performed by DCS staff</b>	<p>Any additional employment performed by any DCS employee must not create a conflict of interest or interfere with DCS employment.</p> <ol style="list-style-type: none"> <li>1. Employees must request written approval for any additional employment from local management by submitting <b>CS-0129 Additional Employment Request</b> to the YDC Superintendent, Regional Administrator or Central Office Director/Executive Director. Copies of the completed form should be returned</li> </ol>

	<p>to the employee with the original routed to the local Human Resources office to be placed in the employee's official personnel file.</p> <p>2. DCS employees who seek additional employment from another Tennessee state agency or institution must submit requests as indicated in this policy and follow the guidelines of DCS Policy <a href="#"><u>3.30 Dual Services Performed by a State Employee (Dual Services Contract)</u></a>.</p>
<b>F. Guidelines for consulting services performed by DCS staff</b>	<p>1. Any DCS employee who receives any form of compensation for performing consulting services to “<i>advise or assist a person or entity in influencing state legislative or administrative action...including, but not limited to, services to advise or assist a person or entity in maintaining, applying for, soliciting or entering into a contract with the state</i>” must comply with TCA 2-10-126 by completing the current disclosure form <a href="#"><u>SS-1150, In-State Consulting Disclosure</u></a>.</p> <p>2. The above form must be filed with the <a href="#"><u>Registry of Election Finance, 404 James Robertson Parkway, Suite 1614, Nashville, Tennessee 37243</u></a> within five (5) days of entering into an agreement or contract for consulting.</p> <p>3. Updated forms must be filed as required under the statute and by the Registry of Election Finance (currently required quarterly and due on the tenth day following the end of each quarter).</p>
<b>G. Policy violations/sanctions</b>	Violations of this policy may result in disciplinary action, up to and including termination.

<b>Forms:</b>	<a href="#"><u>CS-0129 Additional Employment Request</u></a> <a href="#"><u>CS-0748, Employee Conflict of Interest Statement</u></a> <a href="#"><u>SS-1150, In-State Consulting Disclosure</u></a>
<b>Collateral documents:</b>	<a href="#"><u>Department of Human Resources Employee Handbook (Page 19)</u></a>

<b>Glossary:</b>	<b>Definitions:</b>
<b><i>Conflict of Interest:</i></b>	A conflict between an individual self-interest and the public good. Example: an organization that operates a day treatment program awards a food services contract to a local restaurant that is owned by a governing body member. From a legal standpoint, "conflict of interest" is a term used in connection with fiduciaries and their relationship to matters of private interest or gain to them. When used to suggest disqualification of a fiduciary from performing his or her sworn duty, the term refers to a clash between public interest and private pecuniary interest of the concerned individual.
<b><i>Employee:</i></b>	Includes Full-time or Part-time DCS employee, Intern, or Volunteer.
<b><i>Fundraising:</i></b>	Directly or indirectly soliciting in his or her official capacity as an employee of DCS that would generate property of a monetary value.
<b><i>Nepotism:</i></b>	Employees are prohibited from working within the same direct line of supervision whereby one relative is responsible for supervising the job performance or work activities of the other. "Relative" means a parent, foster parent, parent-in-law, child, foster brother, sister, brother, grandparent, grandchild, son-in-law, brother-in-law, daughter-in-law, sister-in-law or any other family member who resides in the same household.
<b><i>Preferential treatment:</i></b>	Undue favoritism that is based upon the nine (9) protective classes (per DCS Policy 4.20, <i>Workplace Harassment</i> ). Undue favoritism based on prohibited criteria of race, national origin, age (over 40), sex, pregnancy, religion, creed, disability, veterans, or any other category protected by state and /or federal law.